RISK MANAGEMENT POLICY – DRAFT CHANGES (FEB 2023)

The Below is a summary of key changes drafted to Risk Management Policy (Feb 2023).

Contents Section
Refreshed

Section 3 – Significant Risks
- This brief section on significant risks & objectives has been removed. The Risk Management Process section later refers to strategic risks being linked to IMTP and operational risks with potential impact on strategic objectives, and this section has been amended to clarify further.
- The detailed specific organisational objectives of the health board have been removed as they are set out in other HB documents.

Section 4 – Roles & Responsibilities
4.2 DOCG
- Reference to Risk Management Strategy removed as there is no separate strategy – the Policy includes strategy (process section)
- Clarified role in respect of establishing process for escalation

4.4 Execs
- Added responsibility to ensure action is taken to manage risks to an acceptable level
- Added reference to Execs portfolio of responsibilities

Assistant Head of Risk & Assurance
- new section added to reflect new role

4.9 Operational RM Arrangements (Service Group Directors)
- responsibilities regarding incidents & risks separated for more clarity
- additional wording clarifications, including reference to health board objectives (as set out in IMTP) and use of risk register to provide assurance

4.10 Corporate RM Arrangements - Corporate Directors
As above

Section 5 – Risk Mgt Reporting Structure
5.1 Health Board
- Amended to reflect Board receives HBRR twice a year not quarterly, but receives assurance from AC on risk additionally.

5.2 Committees of the Board
- In this section (and subsequent section on particular committees) amendments have been made to clarify roles of committees and align content more closely with current TOR.
- The specific detail on subject matter covered by Committees (previously presented in a table) may conflict with the content set out in the Appetite Statement, so this has been removed. The principle of allocation of each HBRR risk to one of the Committees, with this overseen by Audit Committee has replaced it.
- Detail of risks going to Audit Committee removed (meets Structured Assessment point).

5.2.5 H&S Committee – deleted as stood down

5.3 Exec Team and Senior Leadership Team – deleted.

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- One section now covers both the Management Board & Executive Team, with Management Board being the focus.

5.5 RMG – section updated to reflect TOR content, including role and reporting arrangements, and link to TOR.

5.6 RSP – section amended to include link to TOR for RSP

Sections on Incidents, Complaints & Claims – These have been reduced and combined, and within each the new Q&S Framework Group receiving data indicated in bold to make the relevance to the section on groups clear.

5.6 Health Board Specialist Groups – reference to new QF added.

5.10.7 SG Governance Groups
- Amended to include reference to SG Boards in the heading.
- The text has been amended and expanded a little to describe better the escalation of risks from services, to Risk Scrutiny Panel, and onto HBRR via a nominated Exec.
- An additional paragraph has been inserted indicating that the Service Group Board will establish local processes for review and escalation of risks within it, recognising service groups have structured this differently.

5.10.8 Corporate Directorates updated

Section 6 – Risk Management Process
6.1 Methodology – wording clarifications but largely no change to approach.
- However, the HBRR is no longer updated quarterly – it is now monthly.
- Wording enhanced to explain the content of the HBRR in terms of type/level of risks, the monthly update and its availability via Board papers (rather than published online as a separate entity).

6.3 Risk Identification
- Some words deleted as the Simple Guide does not deal with this element currently.
- Additionally, Simple Guide removed from appendix – it will be available as guidance separately from Policy and can be amended separately to respond to need Board involvement.

6.3.1 & 6.3.2 Strategic Risk, IMTP and Operational Risks
- Both sections wording adjusted for clarity including removal of reference to 'issues' to remain focused on risk, relationship between operational and strategic risks & escalation.

6.3.3 Patient/H&S Risks – this brief section has been removed as there is content in the Appendix on both types – this section doesn't add anything to understanding, or say what to do with them.

6.4 Analyse/Evaluate risks
- Sentence on importance of effective description added & some additional wording clarifications made.
- Section allocating risks by score into categories "Acceptable", "Manageable", "Moderate" and "High" and indicating what to do with them according to this has been largely removed (to avoid conflict with risk appetite statement) and replaced with a table retaining 4 level grading of risks, new terms for each and no directions on their management based on this categorisation – instead reference is made to the risk appetite statement which should become the basis for risks decisions in future.

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6.5.1 Appetite & Tolerance
- The text has been replaced with relevant extracts from the Risk Appetite statement, plus reference to the Statement now attached as an Appendix.

6.5.2-6.5.4 Risk decisions are now grouped together under one heading, plus the option to 'tolerate' has been added.

6.5.3 Escalation of Risks
- Section amended to refer to Risk Appetite Statement in terms of escalation of risks corporately for Executive consideration.
- Guidance on the use of risk score of 12 as a threshold for oversight of service risks at Service Group level remains.
- Clearer, expanded exposition of information required by the Risk Scrutiny Panel inserted.
Role

Section 7 – Health Board Risk Register
- This section has been refreshed to explain key fields available within Datix for recording & managing risks, but explain better the separate board-level HBRR and the previous Register template has been replaced with the HBRR template currently used.

Section 8 – Risk Management Training
- Wording amended for clarity
- Reference to structures, controls & actions, and review of risks in context of risk register added

Section 9 – Glossary
- "Risk Owner" amended to be clear that they are responsible for managing the risk
- "Significant Risk" removed – other sections of main body categorize according to score, the main body and Appetite Statement also set out basis for action on strategic and significant operational risks.
- "Terminate" wording clarified

APPENDICES
A – Redrafted so that it reflects better the current group structure, the flow of information, oversight & escalation.
B – RMG TOR amended to reflect:
- role of RMG
- change of chair
- reference to service group directors added to those of Executive Directors
- clarify reporting arrangements
- refresh membership, adding Medical Director, and separating corporate supporting roles from representatives of services
- amend quorum in line with membership
- wording clarified in bullets of duties
C – Risk Scrutiny Panel TOR redrafted afresh
D – Risk Matrices
- Minor clarifications.
- Within Consequences, under Risk Types we have added 'Project Delivery' to 'Sustainable Services' as several of the consequence examples provided relate to levels of project failure.
- 'Service/Business Interruption' has been added as a separate type and the relevant example consequences formerly under sustainable services transferred.

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FUTURE CHANGES FOR CONSIDERATION

- Options to better represent Cyber Security risks within Consequence table
- Consideration to requiring expanding risks (including the lowest scoring risks, not just those scored 9+) to be recorded within Datix.